

197—9.1(534) Authority.

9.1(1) An association may grant direct or indirect consumer loans pursuant to Iowa Code section 534.208. The authority to make open-end and closed-end consumer loans includes the ability to originate, purchase, sell, service and participate in such loans, provided that such loans shall conform to the provisions of these rules and the association's written underwriting standards.

9.1(2) An association may invest in, sell or hold commercial paper and corporate debt securities, including corporate debt securities convertible into stock. An investment under this section includes the investing in, redeeming or holding of shares in any open-end management investment company which is registered with the Securities and Exchange Commission under the Investment Act of 1940 and whose portfolio is restricted by such management company's investment policy, changeable only if authorized by shareholder vote, solely to the investments that an association is authorized to invest in under these rules and other regulations and statutes.

9.1(3) The lending and investment authority described under these rules shall be available only for periods of time when federally chartered savings and loan associations operating in this state are granted similar authority.